



**19th General Meeting
of HIPH Members**

On 31 May 2007, the General Meeting of Members of the Polish Steel Association took place. It was a reporting and electing meeting. HIPH Members gave a positive opinion on the performance of the Council and the Board of 8th term of office. New governing bodies had been elected. The following 9 persons were elected to the Council of the Association:

- Kazimierz Jeziorski – CMC Zawiercie S.A.
- Janusz Łuksza – Akademia Górniczo-Hutnicza
- Marek Misiakiewicz – Alchemia S.A.
- Jerzy Podsiadło – Arcelor Mittal Steel Poland S.A.
- Valentin Raventos – Celsa Huta Ostrowiec Sp. z o.o.
- Marek Serafin – Arcelor Huta Warszawa Sp. z o.o.
- Józef Siwec – Zakłady Magnezytowe Ropczyce S.A.
- Andrzej Stokłosa – ISD Huta Cz stochowa Sp. z o.o.
- Przemysław Sztuczkowski – Złomrex S.A.

Romuald Talarek was appointed as the President of the Board while Kazimierz Kowalski as the Deputy President.■

**Election of the Presidium
of HIPH Council**

On 20 June 2007, the inaugural meeting of the newly elected Council of the Association was held. The main point on the agenda was electing the Presidium. Jerzy Podsiadło, Deputy President of the Board of Arcelor Mittal Steel Poland S.A., had been again appointed as President of the Council while Józef Siwec, President of the Board of Zakłady Magnezytowe Ropczyce S.A. as Deputy President of the Council. Marek Misiakiewicz, President of the Board of Huta Batory Sp. z o.o. became the Secretary of the Council.■

**The Polish Government appealed
against the EC decision on Polish NAP II**

On 25 May 2007, professor Jan Szyszko informed that Poland will appeal to the European Justice Tribunal against the decision of the European Commission on the Polish National Allocation Plan II. The European Commission decided that the amount of allowances requested by Poland, i.e. 284 million tonnes of CO₂ shall be reduced to 208.5 million tonnes. According to the Polish government, the reduction proposed by EC can be detriment to the economic development of our country. "... In order to adjust to such emission level, some of the sectors of the economy will have to cut their production, for example, production of cement or electricity for which the main source in our country is carbon combustion"... said the Minister of Environment. We will keep our Members informed about further developments with respect to the procedure of the appeal.■

Consultations on CO₂

Below, we are attaching a schedule of consultations on NAP II with an active participation of the Association:

Consultations on NAP II	Number of meetings
Ministry of Environment	7
Ministry of Economy	1
Ministry of Regional Development	2
National Administrator of Emission Trade System	12
European Commission General Directorates: - Enterprise and Industry - Competition - Regional Development - Energy and Transport - Environment	2
Meeting with Members of the European Parliament	1
Meeting with Members of the Chamber	8
CO ₂ Forum Voluntary Association of the Self-governmental Business Organisations	7

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Polish steel industry before and after restructuring

On 18 and 19 June 2007, upon request of the Minister of Economy, a conference: "Polish steel industry before and after restructuring" was organised. The current status of the "Programme of restructuring and development of Polish steel industry by 2006" as well as the perspectives of the sector's activity on the Polish, European and worldwide market were discussed and assessed.

Some presentations of the technical and technological accomplishments of the restructuring process, the situation on the steel products market and the employment restructuring effects were made by the representatives of the Ministry of Economy and the Iron Metallurgy Institute. Krzysztof Gulda, Director of Economic Development Department delivered some issues on the industrial policy with respect to the steel industry. Present challenges faced by the sector concerning the new ecological policy of the country and EU were elaborated by President of the Chamber, Romuald Talarek. Adam Schwedler from the Iron Metallurgy Institute presented the role played by the scientific and technical resources as well as the direction for pro-innovative activities in the sector seen from the perspective of "sustainable development". To sum up the conference, Deputy Director of the Economic Development, Krzysztof Galas, expressed satisfaction with the restructuring achievements and informed about an initial positive assessment by the European Commission.■

Parliamentary Commission for Environmental Protection

On 11 June 2007, following an invitation from the Chairman of the Polish Parliamentary Commission for Environmental Protection, Natural Resources and Forestry, President of the Board of the Association took part in a meeting of the Commission. Draft Law on international waste traffic was

presented. Before the meeting, the Association wrote letters to the Minister of Environment and Minister and Economy (HIPH/3099/06, HIPH/0994/07) with an appeal for liberalisation of import of steel scrub to Poland. Responses from the Ministries were presented in HIPH newsletters. Unfortunately, the proposed amendment to the Act did not change compared to the previous version.

In spite of some indisputable economic arguments pointed out by our Association and other industrial representations, the change applicant (Ministry of Environment) and the parliament members of the Commission "remain resistant" to the economic arguments. In the course of the first reading of the draft, they maintained „status quo”.

Before the second reading of the draft law, the Board of the Chamber will again apply to the Ministries and promote our arguments for liberalization of scrub import.■

Meeting of Energy Experts Group

A meeting of the Energy Experts Group operating at the Association was held in Katowice on 14 June 2007. The agenda of the meeting included:

- current situation in the power sector and on the energy market from the point of view of the industrial recipients of electricity,
- possible establishment of the Forum gathering large electricity recipients under the Trade Chambers,
- prognosis for the electricity prices after 01 June 2007. Attention was paid to a visible trend of increasing the electricity costs which is a result of, among others, so called substitute fee, introduced by URE in 2006 (the costs of obligatory purchase of renewable energy) and a change of place of imposing excise duty.

Possible resigning by URE from tariff application for the electricity trade for tariff groups A and B from 1 July 2007 can also lead to increasing the energy costs. The Group supported the Association's idea of cooperation with large energy recipients and establishment of the Forum representing interests of the industrial recipients. The composition of the Forum

Working Group was enlarged with four representatives of steelworks, HIPH Members.■

Meeting of Polish Steel Tube Association

A meeting of the Polish Steel Tube Association Union was held on 19 June 2007. Its agenda touched upon the following issues:

- situation in the production and trade of steel tubes after 4 months of 2007,
- information on the meeting of CDD ESTA Committee on 19-20 April 2007. EU market in 2006 and 1st quarter of 2007 – the steel tubes production and trade -Market assessment and the prognosis for 2nd half of 2007 – discussion,
- Ex officio procedure (on A-D for seamless tubes – proposal for mitigation of sanctions against the import of seamless tubes from Russia (TMK).

The tube production in Poland after 4 months of 2007 rose by 23% while export and import after the 4 months increased by 18 and 12% respectively. Apparent consumption of tubes went up by 16% in 1Q 2007 compared to 1Q 2006. Good condition in the production and trade maintains also in the EU, however, a rapid growth of import of seamless tubes from China worries (in 2006, the fourfold growth was noted). In the discussion, producers paid attention to large stocks of tubes in Poland as well as in other EU countries which are caused, to a big extent, by increasing imports of cheap products from third countries. Nevertheless, according to tube producers, the current sales and price levels will be maintained in the second half of 2007.■

TUBE '2008

As a joint stand during TUBE 2006 fair trade enjoyed a big interest, the Association made a suggestion to the tube producers to organise a joint stand again during TUBE' 2008 fair to be held in Düsseldorf on 31 March – 04 April 2008.■